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Information is provided concerning the sale of bonds for construction of public elementary and secondary school facilities. It is intended for use by administrators, board members, and the general public who must repay these bonds and hence must have some knowledge of their financing. A general description of the characteristics of public school primary market bond sales during the fiscal year 1968 (July 1, 1967-June 30, 1968) is given. Specific information is also provided regarding new bond sales, bond elections for public school purposes, and net interest costs. (ND

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elementary and secondary education

BOND SALES FOR PUBLIC SCHOOL PURPOSES

1967-68

U.S. DEPARTMENT OF HEALTH, EDUCATION & WELFARE
OFFICE OF EDUCATION

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January, 1969 Washington, D.C. 20202 OE-22009-68

BY RICHARD H. BARR
ELEMENTARY-SECONDARY STUDIES BRANCH

TABLE 1.--NATIONAL [1/] SUMMARY OF NEW BOND SALES FOR PUBLIC SCHOOL PURPOSES: FISCAL YEAR 1967-68

All bond sales by issuing agency					All rated bond sales by Moody rating				
Issuing agency	Number of sales reported	Amount sold (thousands)	Percent of total	Av. net int. cost	Moody rating	Number of sales reported	Amount sold (thousands)	Percent of total	Av. net int. cost
All agencies,.	1,722	$2,917,489	100.0	4.57	All ratings..	932	$2,247,359	100.0	4.47
State.....	6	167,170	5.7	4.25	Aaa.....	7	60,615	2.7	3.96
County.....	60	170,041	5.8	4.43	Aa.....	114	446,466	19.9	4.23
City, town, twp.	135	381,403	13.1	4.45	A.....	464	991,977	44.1	4.40
School district.	1,399	1,822,529	62.5	4.56	Baa.....	334	723,823	32.2	4.74
Authority.....	122	376,346	12.9	4.94	Ba.....	13	24,478	1.1	5.05

Net interest cost by Moody rating, by quarter							Net interest cost of rated bonds, by term, by quarter				
									Maturing		
Quarter	Aaa	Aa	A	Baa	Ba	All rated bonds	Quarter	All terms	Under 15 years	15-24 years	25 years and over
All quarters..	3.96	4.23	4.40	4.74	5.05	4.47	All quarters.....	4.47	4.33	4.41	4.61
July-September..	3.71	3.99	4.10	4.48	4.81	4.24	July-September...	4.24	4.14	4.18	4.31
October-December	4.22	4.32	4.40	4.80	4.99	4.47	October-December.	4.47	4.57	4.38	4.61
January-March...	3.83	4.16	4.45	4.73	5.19	4.49	January-March....	4.56	4.28	4.62	4.76
April-June.....	4.02	4.37	4.51	5.01	5.16	4.62	April-June.....	4.62	4.35	4.53	4.84

1/ National data are for the 50 States.

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U.S. Department of Health, Education, and Welfare
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TABLE 2.-- RESULTS OF BOND ELECTIONS FOR PUBLIC SCHOOL PURPOSES, BY STATE: FISCAL YEAR 1967-68

State	Number of elections				Par value of bond issues voted upon (in thousands)			
	Total	Approved	Defeated	Percent approved	Total	Approved	Defeated	Percent approved
1	2	3	4	5	6	7	8	9
50 States.....	1,750	1,183	567	67.6%	$3,739,873	$2,338,303	$1,401,570	62.5%
Alabama*.....	1	1	-	100.0	10,500	10,500	-	100.0
Alaska.....	3	2	1	66.7	22,000	12,000	10,000	54.5
Arizona.....	16	10	6	62.5	56,990	20,965	36,025	36.8
Arkansas.....	77	64	13	83.1	41,392	26,446	14,946	63.9
California.....	110	57	53	51.8	400,882	193,513	207,369	48.4
Colorado.....	23	17	6	73.9	88,024	32,685	55,339	37.1
Connecticut**.....	16	15	1	93.8	39,290	38,440	850	97.8
Delaware**.....	6	4	2	66.7	8,054	5,574	2,480	69.2
Florida.....	5	3	2	60.0	86,790	27,840	58,950	32.1
Georgia.....	9	7	2	77.8	24,375	21,925	2,450	89.9
Hawaii*.....	-	-	-	-	-	-	-	-
Idaho.....	15	10	5	66.7	12,598	6,803	5,795	54.0
Illinois**.....	182	118	64	64.8	262,159	143,633	118,526	54.8
Indiana*.....	-	-	-	-	-	-	-	-
Iowa.....	85	57	28	67.1	66,854	40,415	26,439	60.5
Kansas.....	54	30	24	55.6	96,126	44,132	51,994	45.9
Kentucky.....	-	-	-	-	-	-	-	-
Louisiana.....	16	13	3	81.3	88,433	87,733	700	99.2
Maine**.....	6	5	1	83.3	10,835	9,978	857	92.1
Maryland**.....	3	2	1	66.7	34,310	31,710	2,600	92.4
Massachusetts**.....	11	9	2	81.8	43,440	37,940	5,500	87.3
Michigan.....	98	56	42	57.1	312,386	172,916	139,470	55.4
Minnesota**.....	91	69	22	75.8	203,947	147,032	56,915	72.1
Mississippi.....	9	5	4	55.6	13,255	8,315	4,940	62.7
Missouri.....	56	34	22	60.7	100,502	45,763	54,739	45.5
Montana.....	6	6	-	100.0	7,046	7,046	-	100.0
Nebraska.....	33	29	4	87.9	86,244	84,465	1,779	97.9
Nevada.....	-	-	-	-	-	-	-	-
New Hampshire**.....	6	5	1	83.3	12,460	9,760	2,700	78.3
New Jersey**.....	91	61	30	67.0	125,802	76,531	49,271	60.8
New Mexico.....	19	18	1	94.7	19,709	19,514	195	99.0
New York**.....	34	24	10	70.6	146,527	103,531	42,996	70.7
North Carolina.....	3	1	2	33.3	15,010	260	14,750	1.7
North Dakota.....	27	14	13	51.9	7,996	3,593	4,403	44.9
Ohio.....	170	103	67	60.6	321,618	162,037	159,581	50.4
Oklahoma.....	78	66	12	84.6	30,814	25,947	4,867	84.2
Oregon.....	43	25	18	58.1	56,072	30,146	25,926	53.8
Pennsylvania**.....	3	3	-	100.0	99,150	99,150	-	100.0
Rhode Island.....	4	4	-	100.0	7,150	7,150	-	100.0
South Carolina**.....	-	-	-	-	-	-	-	-
South Dakota.....	17	10	7	58.8	9,720	5,575	4,145	57.4
Tennessee**.....	2	1	1	50.0	10,000	6,500	3,500	65.0
Texas.....	142	107	35	75.4	297,443	238,753	58,690	80.3
Utah.....	3	2	1	66.7	6,200	5,150	1,050	83.1
Vermont.....	20	11	9	55.0	24,814	11,270	13,544	45.4
Virginia**.....	10	6	4	60.0	161,000	111,850	49,150	69.5
Washington.....	72	53	19	73.6	114,822	76,858	37,964	66.9
West Virginia.....	7	3	4	42.9	39,370	13,270	26,100	33.7
Wisconsin**.....	54	33	21	61.1	106,820	65,080	41,740	60.9
Wyoming.....	14	10	4	71.4	10,944	8,609	2,335	78.7

*Voter approval not required of any school system.
**Voter approval not required of all school systems.

INTRODUCTION

Purpose.--This report provides information about the sale of bonds for the construction of public elementary and secondary school facilities. The total cost of such construction runs more than $3.5 billion each year, making it a significant part of the American economy. Since about 80 percent of the cost of this construction is financed by bond issues, it is important for school administrators, school board members, and the general public who must repay these bonds to have some knowledge of the financing picture.

Sources of Information.--Information was compiled from reports of sales and elections published in The Daily Bond Buyer, generally considered the prime source for information on the securities market. The method used was to summarize daily reports of transactions for each month and to summarize by issuing agency and by State for the entire fiscal year. Past experience demonstrates this technique to be the most satisfactory for gathering information, but the coverage will be incomplete for those areas not reporting all transactions to The Daily Bond Buyer. Information on the rating of bond issues came from Moody's Investors Service.

Contents.--The report contains a general description of the characteristics of public elementary and secondary school primary market bond sales during the 1968 fiscal year (July 1, 1967 to June 30, 1968). It then provides specific information regarding new bond sales, bond elections for public school purposes, and net interest cost

NEW BOND SALES FOR PUBLIC SCHOOL PURPOSES

The high demand for school construction funds continued during the 1968 fiscal year. The dollar value of bonds sold on the primary market for public elementary and secondary school construction was $2.92 billion (table 4). This is a reduction from the $3.25 billion sold in the 1967 fiscal year--which was a record amount. But the 1968 figure still is more than the $2.88 billion sold in the 1966 fiscal year. It also is more than the average annual sales for the previous ten years of $2.53 billion.

In 1968, bond sales in no single month approached the $418 million record set in June 1967. A total of $300 million was exceeded in only two months: February and June of 1968 (table 7). The 12-month moving average, during the 1968 fiscal year, rose to the high point of $279.9 million with the sales in October 1967 but this average had fallen to $243.1 million by June 1968.

There were reported 1,722 separate sales of bonds totaling $2.92 billion. Of these, 1,399 sales--totaling $1.82 billion--were by local school districts. This is 81 percent of the number of sales and 62 percent of the dollar value of bonds sold.

The second type of issuing agency selling school construction bonds was the public-schoolhousing authority. These authorities accounted for 122 sales totaling $376 million. This is 7.1 percent of the number of sales and 12.9 percent of the dollar value of the bonds sold. Authority sales were reported in only five States during fiscal year 1967-68 (Georgia, Indiana, Kentucky, Pennsylvania, and Virginia). Their average sale was $3.1 million, compared to an overall average sale by all agencies of $1.7 million and compared to an average sale by school districts of $1.3 million.

Public-schoolhousing authorities developed as a way to circumvent strict debt limitations in some States. Although the mechanism may vary from State to State, the purpose of all the authorities is the same, to finance and provide school facilities. The authorities finance the construction, supervise the erection of the building, and then lease the finished school building to the district. The debt is repaid from the rents collected by the authorities. When the bonds have been retired and other obligations of the authority met, ownership of the school building normally passes to the school district.

A third type of issuing agency is other governmental units--State, county, city, town or township government --which sell general obligation and other bonds for purposes of financing construction of public school buildings. There were 201 sales by these other governmental units, totaling $719 million--an average sale of $3.6 million.

The pledging of special revenues for school bond redemption, such as the proceeds of the motor vehicle license tax and race track revenues in Florida, is a way of meeting local needs and shifting part of the burden of school construction from the normal local property tax base.

BOND ELECTIONS FOR PUBLIC SCHOOL PURPOSES

In fiscal year 1968, there were 1,750 elections involving proposed school bond issues totaling $3.7 million (table 2). In 1,183 of these elections, bond issues totaling $2.3 million were approved. In the remaining 567 elections, bond issues totaling $1.4 million failed.

The dollar value of school bond approvals in 1968 was greater than that for fiscal year 1967, the $2.3 billion approved by the voters being $200 million higher than the 1967 figure. However, the 1968 figure still was below the record $2.7 billion approved by voters in fiscal year 1966.

Using the rate of approval based on dollar value, however, voter resistance to the issuing of public elementary and secondary school construction bonds appears to be increasing. For the previous ten years the average rate of approval was 72.7 percent. In the 1967 fiscal year, the approval figure was 69.2 percent. Last year, fiscal 1968, the approval figure fell to 62.5 percent of the dollar value of the bonds voted on.

Requirements vary in the States regarding voter approval of school construction bond issues. Three States--Alabama, Hawaii, and Indiana--do not require any voter approval before school bonds can be issued. Fifteen States do require voter approval of some school systems; requirements depend on the classification or charter of the school system. In the remaining 32 States, voter approval is required before any general obligation bonds can be issued for public school purposes.

Of those 32 States requiring voter approval in all cases, 12 have the additional requirement that the voters approve the bond issue by a specific percentage figure above 50 percent. Those 12 States are California, Idaho, Iowa, Kentucky, Massachusetts, Missouri, New Hampshire, New York, Oklahoma, South Dakota, Washington, and West Virginia.

NET INTEREST COST

Interest costs for public elementary and secondary school bonds set records in the 1968 fiscal year. For the first time the monthly average stayed above 4 percent during the entire year, ranging from a low of 4.21 percent in August 1967 to a high of 4.74 percent in May 1968.

For the entire year, the average net interest cost rose to 4.57 percent (tables 3 & 4). This is an increase of 56 basis points (1 basis point equals .01 percent) over

the fiscal year 1967 average of 4.01 percent. It also represents an increase of 146 basis points over the 1963 fiscal year average of 3.11 percent. The increase in the cost of borrowing since 1963, then, has been 46.9 percent--or almost half the 1963 cost.

New interest cost is, of course, partly a reflection of general market conditions, and the responsibility for these conditions falls far beyond the boundaries of any one issuing agency or any group of issuing agencies. Several local factors, however, help determine interest cost.

Basically these factors involve the "faith and credit" of the issuing agency; the type of community--whether it be residential, business or industrial; the outstanding debt of the issuing agency; the tax base available for the repayment levy; the terms of repayment, and any other conditions of the bond issue.

An example of how these local factors influence the cost of bond issues is seen in the difference in the average net interest cost for public-schoolhousing authorities and that cost for school district bonds: 4.94 percent compared to 4.56 percent. Bonds pledging the full "faith and credit" of a school district--general obligation bonds--are usually considered a better investment than bonds pledging the collection of rents on buildings leased to school districts--the method used by the authorities to pay off their bonds. Also, the higher cost of authority bonds may reflect what is believed to be the possibly poorer financial condition of a district required to use this financing method.

Two other factors influencing interest costs are the Moody ratings and the term of the bond issues.

Ratings as a Factor in Interest Cost.--The Moody's Investors Service rates a bond issue on its general financial investment desirability. This Service rates issues of local governmental agencies that have bonds outstanding or proposed in the amount of $600,000 or more. The rating is done without cost to the issuing agency.

The more financially sound the issue, the higher its rating. As expected, the interest costs are lower for those bond issues with higher ratings. Of the $2.92 billion in bonds sold for public school facilities in the 1968 fiscal year, a total of $2.51 billion were general obligation bonds. Of these general obligation bonds, a total of 932 school bond issues, involving $2.25 billion, received Moody ratings in fiscal 1968 (table 5). This represents 88.4 percent of the general obligation bonds--a percentage which has remained fairly constant during the past four years. The average interest cost for rated bonds was 4.47 percent, 10 basis points or .10 of one percent less than the 4.57 percent average for all bond issues.

The spread in the cost of interest for the highest rated bond issues and that for the lowest rated was substantial, more than a percentage point. The average net interest cost for "Ba" rated bonds was over one-fourth more than the cost for "Aaa" rated bonds. The seven bond issues with the highest rating--"Aaa"--had an average interest cost of only 3.96 percent. These seven issues amounted to 3 percent of the dollar value of the rated bonds sold. The 13 with the lowest rating, "Ba", had an average interest cost of 5.05 percent. These 13 issues amounted to 1.1 percent of the dollar value of the rated bonds sold. In the middle ratings, the 114 bond issues with "Aa" ratings had an average net interest cost of 4.23 percent; 464 bond issues rated "A" costing 4.40 percent; and 334 issues rated "Baa" costing 4.74 percent.

Term as a Factor in Cost.--These data show the shorter the time required to pay off the bonds, the lower the net interest cost. Of the reported bond sales rated by Moody's, issues totaling $361 million will be paid off in less than 15 years and had an average net interest cost of 4.33 percent (table 6). A total of $1.07 billion in bond issues will be paid off in 15 to 24 years at a cost of 4.41 percent. Issues totaling $819 million will mature in 25 years or more and carry the highest interest rate of the three categories--4.61 percent.

This last category, bond issues maturing in 25 years or more, represents 36.4 percent of the total. Although this is an increase from the 33.8 percent in this category reported in the 1967 fiscal year, it is substantially below the 46.4 percent reported in the 1966 fiscal year.

SUMMARY

Although bond sales for public elementary and secondary school construction during the 1968 fiscal year were down from the previous year's sales, the total is above the average for the past decade.

Voters are less willing to approve bond issues.

The net cost of borrowing is rising.

TABLE 3.-- HISTORICAL SUMMARY OF NATIONAL AVERAGE NET INTEREST COST OF PUBLIC SCHOOL BONDS SOLD ON THE PRIMARY MARKET, BY TYPE OF BOND AND MOODY RATING: FISCAL YEAR 1959-60 THROUGH 1967-68

	General Obligation Bonds								
	By Moody ratings								
Fiscal Year	Aaa	Aa	A	Baa	Ba	All rated	Non-rated	Revenue bonds	All bonds
1959-60	3.26	3.63	3.77	4.21	4.55	3.84	4.03	4.21	3.91
1960-61	2.82	3.34	3.33	3.75	3.97	3.48	3.58	3.87	3.52
1961-62	2.84	3.23	3.19	3.51	3.93	3.27	3.43	3.55	3.33
1962-63	2.64	2.86	2.99	3.29	3.72	3.03	3.25	3.42	3.11
1963-64	2.88	3.07	3.17	3.43	3.80	3.21	3.40	3.40	3.25
1964-65	2.93	3.11	3.16	3.44	3.76	3.21	3.40	3.40	3.25
1965-66	3.26	3.48	3.56	3.86	4.01	3.62	3.83	3.83	3.67
1966-67	3.56	3.79	3.86	4.17	4.68	3.94	4.23	4.24	4.01
1967-68	3.96	4.23	4.40	4.74	5.05	4.47	4.53	4.74	4.57

TABLE 4.-- SUMMARY OF ALL NEW BOND SALES FOR PUBLIC SCHOOL PURPOSES, NUMBER OF SALES, AMOUNT OF SALES, AVERAGE NET INTEREST COST, BY ISSUING AGENCY AND STATE: FISCAL YEAR 1967-68 (Dollar amounts in thousands)

State	All agencies			State			County			City, town, township			School district			Authority		
	Number of sales	Amount of sales	Av. net int. cost	Number of sales	Amount of sales	Av. net int. cost	Number of sales	Amount of sales	Av. net int. cost	Number of sales	Amount of sales	Av. net int. cost	Number of sales	Amount of sales	Av. net int. cost	Number of sales	Amount of sales	Av. net int. cost
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
50 States..	1,722	$2,917,489	4.57%	6	$167,170	4.25%	60	$170,041	4.43%	135	$381,403	4.45%	1,399	$1,822,529	4.56%	122	$376,346	4.94%
Alabama.....	10	9,490	5.09	-	-	-	-	-	-	3	5,550	-	7	3,940	-	-	-	-
Alaska.....	2	9,200	5.18	-	-	-	-	-	-	-	-	-	2	9,200	5.18	-	-	-
Arizona.....	19	13,947	4.36	-	-	-	-	-	-	-	-	-	19	13,947	4.36	-	-	-
Arkansas.....	16	17,878	4.69	-	-	-	-	-	-	-	-	-	16	17,878	4.69	-	-	-
California....	182	316,485	4.52	2	110,000	4.33	-	-	-	-	-	-	180	206,485	4.62	-	-	-
Colorado.....	10	25,401	4.41	-	-	-	-	-	-	-	-	-	10	25,401	4.41	-	-	-
Connecticut...	16	30,880	4.06	-	-	-	-	-	-	16	30,880	4.06	-	-	-	-	-	-
Delaware.....	7	6,469	4.33	-	-	-	-	-	-	-	-	-	7	6,469	4.33	-	-	-
Florida.....	8	30,022	4.64	-	-	-	-	-	-	-	-	-	8	30,022	4.64	-	-	-
Georgia.....	7	41,766	4.60	-	-	-	-	-	-	-	-	-	4	13,900	4.48	3	27,866	4.66
Hawaii.....	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Idaho.....	8	7,223	4.54	-	-	-	-	-	-	-	-	-	8	7,223	4.54	-	-	-
Illinois.....	116	112,456	4.34	-	-	-	-	-	-	1	1,000	5.00	115	111,456	4.33	-	-	-
Indiana.....	51	82,578	4.66	-	-	-	-	-	-	1	87	4.34	25	11,571	4.06	25	70,920	4.76
Iowa.....	46	34,727	4.27	-	-	-	-	-	-	-	-	-	46	34,727	4.27	-	-	-
Kansas.....	57	36,077	4.22	-	-	-	-	-	-	-	-	-	57	36,077	4.22	-	-	-
Kentucky.....	44	56,935	5.28	-	-	-	-	-	-	-	-	-	-	-	-	44	56,935	5.28
Louisiana.....	30	51,391	4.98	-	-	-	-	-	-	-	-	-	30	51,391	4.98	-	-	-
Maine.....	14	14,765	4.54	-	-	-	-	-	-	4	3,925	4.59	10	10,840	4.52	-	-	-
Maryland.....	12	100,870	4.34	1	21,670	4.22	10	62,500	4.40	1	16,700	4.31	-	-	-	-	-	-
Massachusetts.	66	142,107	4.32	-	-	-	-	-	-	59	124,812	4.32	7	17,295	4.35	-	-	-
Michigan.....	84	242,070	4.74	-	-	-	-	-	-	-	-	-	84	242,070	4.74	-	-	-
Minnesota.....	68	92,766	4.60	-	-	-	-	-	-	-	-	-	68	92,766	4.60	-	-	-
Mississippi...	9	15,060	4.76	1	6,000	4.50	-	-	-	-	-	-	8	9,060	4.94	-	-	-
Missouri.....	39	35,864	4.46	-	-	-	-	-	-	-	-	-	39	35,864	4.46	-	-	-
Montana.....	17	5,361	4.83	-	-	-	-	-	-	-	-	-	17	5,361	4.83	-	-	-
Nebraska.....	6	7,739	4.56	-	-	-	-	-	-	-	-	-	6	7,739	4.56	-	-	-
Nevada.....	2	4,740	4.71	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
New Hampshire.	16	16,262	4.16	-	-	-	-	-	-	7	12,530	4.09	9	3,732	4.41	-	-	-
New Jersey....	55	80,727	4.61	-	-	-	3	4,825	4.19	16	34,830	4.72	36	41,072	4.57	-	-	-
New Mexico....	23	9,025	4.26	-	-	-	-	-	-	-	-	-	23	9,025	4.26	-	-	-
New York.....	82	256,701	4.52	-	-	-	-	-	-	7	12,125	4.69	75	144,576	4.39	-	-	-
North Carolina	8	16,960	4.27	-	-	-	7	16,660	4.27	-	-	-	1	300	4.51	-	-	-
North Dakota..	6	1,158	4.58	-	-	-	-	-	-	-	-	-	6	1,158	4.58	-	-	-
Ohio.....	71	112,251	4.41	-	-	-	1	670	4.21	-	-	-	70	111,581	4.41	-	-	-
Oklahoma.....	62	27,273	3.93	-	-	-	-	-	-	1	32	3.84	61	27,241	3.93	-	-	-
Oregon.....	22	28,019	4.60	-	-	-	-	-	-	-	-	-	22	28,019	4.60	-	-	-
Pennsylvania..	70	305,120	4.80	-	-	-	-	-	-	-	-	-	21	94,495	4.44	49	210,625	4.96
Rhode Island..	5	11,100	4.53	-	-	-	-	-	-	4	10,700	4.50	1	400	5.38	-	-	-
South Carolina	17	31,590	4.10	1	13,000	3.73	-	-	-	-	-	-	16	18,590	4.36	-	-	-
South Dakota..	13	5,222	4.72	-	-	-	-	-	-	-	-	-	13	5,222	4.72	-	-	-
Tennessee.....	24	32,026	4.72	-	-	-	23	29,476	4.71	1	2,550	4.91	-	-	-	-	-	-
Texas.....	143	179,595	4.51	-	-	-	-	-	-	-	-	-	143	179,595	4.51	-	-	-
Utah.....	9	14,765	4.02	-	-	-	-	-	-	-	-	-	9	14,765	4.02	-	-	-
Vermont.....	6	1,259	4.46	-	-	-	-	-	-	-	-	-	6	1,259	4.46	-	-	-
Virginia.....	17	63,335	4.39	-	-	-	15	52,835	4.39	1	500	4.30	-	-	-	1	10,000	4.42
Washington....	63	74,588	4.42	1	16,500	4.10	-	-	-	-	-	-	62	58,088	4.46	-	-	-
West Virginia.	2	12,075	4.23	-	-	-	1	3,075	4.48	-	-	-	[illegible]	9,000	4.14	-	-	-
Wisconsin.....	54	84,760	4.35	-	-	-	-	-	-	13	25,182	4.05	41	59,578	4.48	-	-	-
Wyoming.....	8	9,411	4.22	-	-	-	-	-	-	-	-	-	8	9,411	4.22	-	-	-

TABLE 5.-- SUMMARY OF RATED GENERAL OBLIGATION BOND SALES FOR PUBLIC SCHOOL PURPOSES, NUMBER OF SALES, AMOUNT OF SALES, AVERAGE NET INTEREST COST, BY MOODY RATING AND STATE: FISCAL YEAR 1967-68 (Dollar amounts in thousands)

State	All rated bonds			Aaa			Aa			A			Baa			Ba		
	Number of sales	Amount of sales	Av. net int. cost	Number of sales	Amount of sales	Av. net int. cost	Number of sales	Amount of sales	Av. net int. cost	Number of sales	Amount of sales	Av. net int. cost	Number of sales	Amount of sales	Av. net int. cost	Number of sales	Amount of sales	Av. net int. cost
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
50 States.	932	$2,247,359	4.47%	7	$ 60,615	3.96%	114	$ 446,466	4.23%	464	$ 991,977	4.40%	334	$ 723,823	4.74%	13	$ 24,478	5.05%
Alabama.....	3	6,190	5.12	-	-	-	-	-	-	1	790	4.72	2	5,400	5.17	-	-	-
Alaska.....	2	9,200	5.18	-	-	-	-	-	-	-	-	-	2	9,200	5.18	-	-	-
Arizona.....	7	11,354	4.28	-	-	-	-	-	-	5	10,369	4.26	2	985	4.49	-	-	-
Arkansas.....	7	13,467	4.70	-	-	-	-	-	-	1	1,963	4.58	6	1,504	4.72	-	-	-
California....	117	296,052	4.49	-	-	-	10	153,800	4.37	37	59,591	4.39	70	82,661	4.79	-	-	-
Colorado.....	6	22,451	4.35	-	-	-	1	14,750	4.23	4	7,201	4.57	1	500	4.73	-	-	-
Connecticut...	15	30,545	4.06	1	4,000	3.86	9	20,870	4.02	5	5,675	4.38	-	-	-	-	-	-
Delaware.....	6	5,969	4.30	-	-	-	1	439	4.21	5	5,530	4.31	-	-	-	-	-	-
Florida.....	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Georgia.....	4	13,900	4.48	-	-	-	-	-	-	3	12,300	4.50	1	1,600	4.34	-	-	-
Hawaii.....	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Idaho.....	4	5,800	4.50	-	-	-	-	-	-	4	5,800	4.50	-	-	-	-	-	-
Illinois.....	50	86,487	4.29	-	-	-	8	15,770	3.99	35	60,154	4.31	7	10,563	4.66	-	-	-
Indiana.....	7	6,535	3.89	-	-	-	4	2,945	3.89	3	3,590	3.89	-	-	-	-	-	-
Iowa.....	22	24,996	4.25	1	4,000	3.99	5	5,953	4.07	16	15,043	4.40	-	-	-	-	-	-
Kansas.....	4	9,000	4.10	-	-	-	2	5,000	4.02	2	4,000	4.20	-	-	-	-	-	-
Kentucky.....	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Louisiana.....	17	47,347	4.97	-	-	-	-	-	-	3	9,500	4.81	14	37,847	5.01	-	-	-
Maine.....	8	10,170	4.65	-	-	-	-	-	-	5	6,220	4.56	3	3,950	4.77	-	-	-
Maryland.....	12	100,870	4.34	1	21,670	4.22	1	10,000	4.21	10	69,200	4.40	-	-	-	-	-	-
Massachusetts.	64	141,182	4.32	-	-	-	20	55,119	4.25	40	79,355	4.37	4	6,708	4.30	-	-	-
Michigan.....	62	231,524	4.74	-	-	-	4	27,155	4.28	18	37,090	4.64	40	167,279	4.84	-	-	-
Minnesota.....	47	82,798	4.55	2	12,205	3.76	1	1,200	4.16	17	25,810	4.35	21	26,013	4.80	6	17,570	5.07
Mississippi...	3	11,500	4.65	-	-	-	1	6,000	4.50	-	-	-	2	5,500	4.82	-	-	-
Missouri.....	19	28,195	4.44	-	-	-	3	3,995	4.21	12	18,695	4.40	4	5,505	4.76	-	-	-
Montana.....	2	1,937	5.18	-	-	-	-	-	-	1	740	4.62	1	1,197	5.52	-	-	-
Nebraska.....	3	4,789	4.41	-	-	-	2	3,769	4.33	-	-	-	1	1,020	4.74	-	-	-
Nevada.....	2	4,740	4.70	-	-	-	-	-	-	1	2,500	4.59	1	2,240	4.83	-	-	-
New Hampshire.	11	13,437	4.12	-	-	-	3	5,075	4.02	8	8,362	4.18	-	-	-	-	-	-
New Jersey....	43	74,876	4.60	-	-	-	4	5,030	4.10	14	26,791	4.43	20	37,187	4.73	5	5,868	5.03
New Mexico....	5	3,245	4.17	-	-	-	-	-	-	5	3,245	4.17	-	-	-	-	-	-
New York.....	76	252,220	4.52	1	5,740	3.93	3	9,695	4.07	32	58,500	4.45	40	178,285	4.58	-	-	-
North Carolina	7	16,660	4.26	-	-	-	1	4,000	4.10	4	9,160	4.21	2	3,500	4.38	-	-	-
North Dakota..	1	250	4.35	-	-	-	-	-	-	1	250	4.35	-	-	-	-	-	-
Ohio.....	54	99,917	4.48	-	-	-	3	8,760	4.13	39	72,954	4.48	12	18,203	4.64	-	-	-
Oklahoma.....	7	16,310	3.84	-	-	-	-	-	-	6	15,610	3.84	1	700	3.85	-	-	-
Oregon.....	9	23,995	4.59	-	-	-	-	-	-	4	14,690	4.60	5	9,305	4.58	-	-	-
Pennsylvania..	12	92,050	4.44	-	-	-	1	400	4.15	9	89,530	4.42	1	1,680	5.15	1	440	5.00
Rhode Island..	5	11,100	4.53	-	-	-	1	2,800	4.35	1	6,500	4.49	3	1,800	4.98	-	-	-
South Carolina	14	30,125	4.07	1	13,000	3.73	-	-	-	11	16,125	4.27	2	1,000	5.05	-	-	-
South Dakota..	3	2,745	4.7	-	-	-	-	-	-	3	2,745	4.74	-	-	-	-	-	-
Tennessee.....	15	22,742	4.53	-	-	-	-	-	-	7	14,020	4.43	8	8,722	4.68	-	-	-
Texas.....	74	160,328	4.46	-	-	-	4	27,500	4.27	37	100,312	4.43	32	31,916	4.80	1	600	4.65
Utah.....	8	14,590	4.01	-	-	-	5	11,390	3.95	3	3,200	4.22	-	-	-	-	-	-
Vermont.....	1	185	4.00	-	-	-	-	-	-	-	-	-	1	185	4.00	-	-	-
Virginia.....	15	52,790	4.39	-	-	-	3	7,240	4.18	6	21,870	4.28	6	23,680	4.57	-	-	-
Washington....	32	63,865	4.35	-	-	-	-	-	-	24	54,745	4.28	8	9,120	4.78	-	-	-
West Virginia.	2	12,075	4.23	-	-	-	1	9,000	4.14	1	3,075	4.48	-	-	-	-	-	-
Wisconsin.....	42	70,620	4.35	-	-	-	11	25,517	4.02	20	26,235	4.43	11	18,868	4.67	-	-	-
Wyoming.....	3	6,236	4.21	-	-	-	2	3,294	4.02	1	2,942	4.42	-	-	-	-	-	-

TABLE 6.-- SUMMARY OF RATED GENERAL OBLIGATION BOND SALES FOR PUBLIC SCHOOL PURPOSES, NUMBER OF SALES, AMOUNT OF SALES, AVERAGE NET INTEREST COST, BY TERM OF ISSUE AND STATE: FISCAL YEAR 1967-68
(Dollar amounts in thousands)

State	All term*			Maturing								
				Under 15 years			15-24 years			25 years and over		
	Number of sales	Amount of sales	Av. net int. cost	Number of sales	Amount of sales	Av. net int. cost	Number of sales	Amount of sales	Av. net int. cost	Number of sales	Amount of sales	Av. net int. cost
1	2	3	4	5	6	7	8	9	10	11	12	13
50 States...	932	$2,247,359	4.47%	165	$360,528	4.33%	552	$1,066,927	4.41%	213	$818,904	4.61%
Alabama.....	3	6,190	5.12	1	1,500	3.95	1	790	4.72	1	3,900	5.65
Alaska.....	2	9,200	5.18	1	2,200	5.21	1	7,000	5.17	-	-	-
Arizona.....	7	11,354	4.28	4	1,990	4.37	3	9,364	4.27	-	-	-
Arkansas.....	7	13,467	4.70	-	-	-	7	13,467	4.70	-	-	-
California.....	117	296,052	4.49	12	15,095	4.17	67	85,997	4.61	38	194,960	4.47
Colorado*.....	6	22,451	4.35	1	4,000	4.58	4	18,151	4.29	-	-	-
Connecticut.....	15	30,545	4.06	4	12,040	3.78	11	18,505	4.25	-	-	-
Delaware.....	6	5,969	4.30	-	-	-	6	5,969	4.30	-	-	-
Florida.....	-	-	-	-	-	-	-	-	-	-	-	-
Georgia.....	4	13,900	4.48	-	-	-	3	3,900	4.48	1	10,000	4.48
Hawaii.....	-	-	-	-	-	-	-	-	-	-	-	-
Idaho.....	4	5,800	4.50	-	-	-	4	5,800	4.50	-	-	-
Illinois.....	50	86,487	4.29	24	29,773	4.32	26	56,714	4.28	-	-	-
Indiana.....	7	6,535	3.89	5	3,545	3.74	2	2,990	4.08	-	-	-
Iowa.....	22	24,996	4.25	5	3,263	4.18	17	21,733	4.26	-	-	-
Kansas.....	4	9,000	4.10	-	-	-	3	7,000	4.05	1	2,000	4.27
Kentucky.....	-	-	-	-	-	-	-	-	-	-	-	-
Louisiana.....	17	47,347	4.97	2	1,740	4.35	7	16,097	4.63	8	29,510	5.20
Maine.....	8	10,170	4.65	-	-	-	8	10,170	4.65	-	-	-
Maryland.....	12	100,870	4.34	-	-	-	8	69,370	4.26	4	31,500	4.54
Massachusetts....	64	141,182	4.32	9	7,075	4.05	55	134,107	4.34	-	-	-
Michigan.....	62	231,524	4.74	6	18,985	4.48	5	17,075	4.60	51	195,464	4.78
Minnesota*.....	47	82,798	4.55	2	12,205	3.76	24	32,960	4.60	20	36,933	4.77
Mississippi.....	3	11,500	4.65	-	-	-	2	8,500	4.48	1	3,000	5.10
Missouri.....	19	28,195	4.44	2	1,850	4.03	17	26,345	4.47	-	-	-
Montana.....	2	1,937	5.18	-	-	-	2	1,937	5.18	-	-	-
Nebraska.....	3	4,789	4.41	-	-	-	2	3,769	4.33	1	1,020	4.74
Nevada.....	2	4,740	4.70	1	2,500	4.59	1	2,240	4.83	-	-	-
New Hampshire....	11	13,437	4.12	2	260	3.96	9	13,177	4.12	-	-	-
New Jersey.....	43	74,876	4.60	6	16,508	4.73	28	36,515	4.56	9	21,853	4.59
New Mexico.....	5	3,245	4.17	5	3,245	4.17	-	-	-	-	-	-
New York.....	76	252,220	4.52	19	129,520	4.58	28	38,591	4.31	29	84,109	4.51
North Carolina...	7	16,660	4.26	2	4,260	4.09	3	9,000	4.31	2	3,400	4.39
North Dakota.....	1	250	4.35	-	-	-	1	250	4.35	-	-	-
Ohio.....	54	99,917	4.48	5	5,873	4.23	47	90,570	4.48	2	3,474	4.75
Oklahoma.....	7	16,310	3.84	5	8,290	3.79	2	8,020	3.89	-	-	-
Oregon.....	9	23,995	4.59	1	1,230	4.25	8	22,765	4.61	-	-	-
Pennsylvania.....	12	92,050	4.44	2	990	4.10	7	10,495	4.46	3	80,565	4.44
Rhode Island.....	5	11,100	4.53	-	-	-	5	11,100	4.53	-	-	-
South Carolina...	14	30,125	4.07	6	14,460	3.79	8	15,665	4.32	-	-	-
South Dakota.....	3	2,745	4.74	-	-	-	3	2,745	4.74	-	-	-
Tennessee.....	15	22,742	4.53	3	9,200	4.24	10	10,262	4.67	2	3,280	4.90
Texas.....	74	160,328	4.46	7	4,930	4.54	31	63,962	4.37	36	91,436	4.55
Utah.....	8	14,590	4.01	8	14,590	4.01	-	-	-	-	-	-
Vermont.....	1	185	4.00	-	-	-	1	185	4.00	-	-	-
Virginia.....	15	52,790	4.39	-	-	-	11	30,290	4.25	4	22,500	4.58
Washington.....	32	63,865	4.35	3	3,750	4.38	29	60,115	4.35	-	-	-
West Virginia....	2	12,075	4.23	1	9,000	4.14	1	3,075	4.48	-	-	-
Wisconsin.....	42	70,620	4.35	9	13,367	4.30	33	57,253	4.36	-	-	-
Wyoming.....	3	6,236	4.21	2	3,294	4.02	1	2,942	4.42	-	-	-

*Breakdown by term does not equal total sales because data are excluded for two sales totaling $1,000,000 where term of issue was not given.

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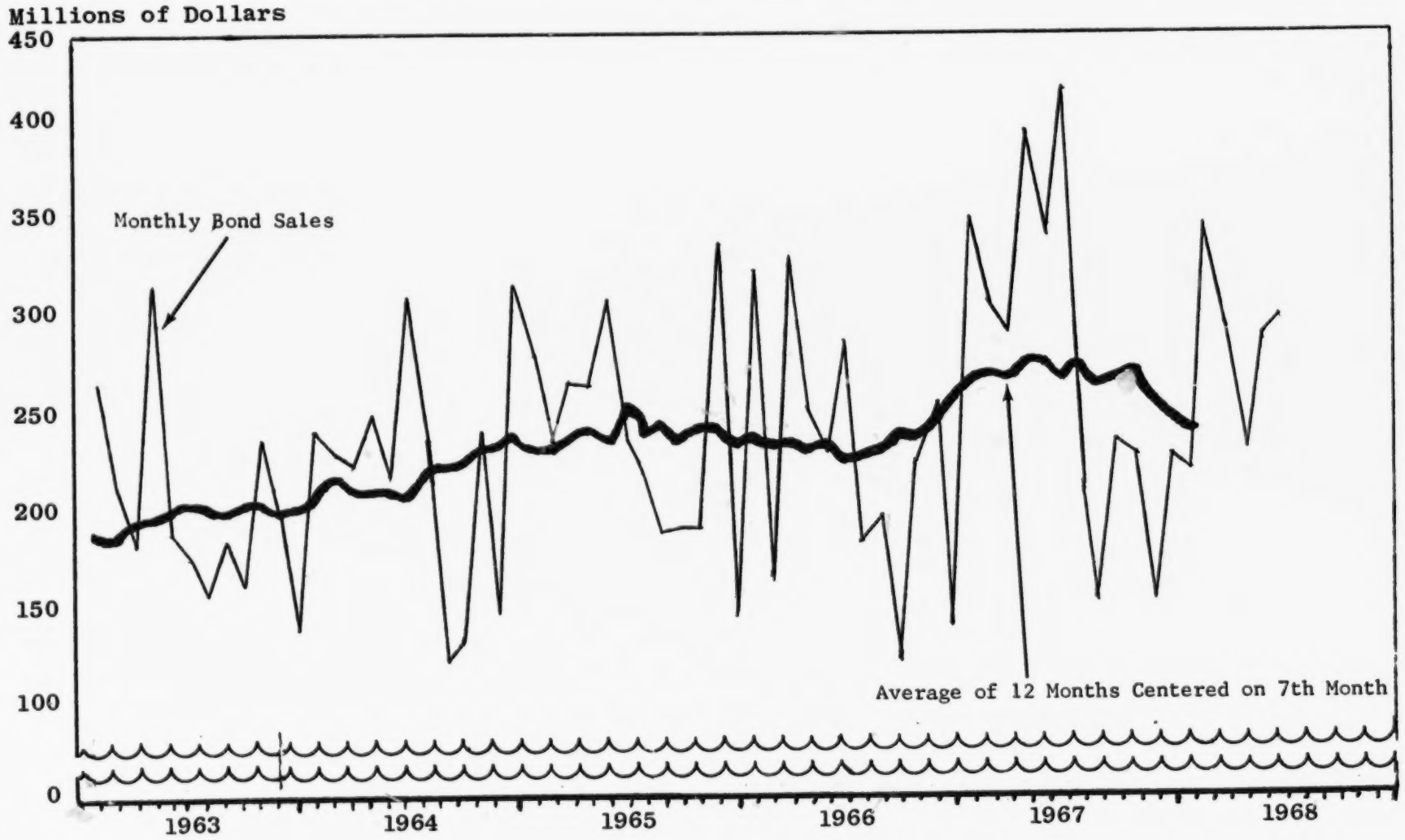
TABLE 7.-- AMOUNT AND 12-MONTH MOVING AVERAGE OF PUBLIC ELEMENTARY AND SECONDARY SCHOOL BOND SALES, BY MONTH: JANUARY 1963 THROUGH JUNE 1968 (In millions of dollars)

	Monthly amount of sales						12-month moving average					
	1963	1964	1965	1966	1967	1968	1963	1964	1965	1966	1967	1968
January.....	266.8	243.7	280.5	326.9	352.5	223.5	189.6	214.1	234.7	240.3	271.2	243.1
February....	215.0	230.1	238.5	168.5	311.6	348.1	187.4	220.8	233.3	237.1	273.6	
March.....	183.4	224.2	269.6	330.2	294.5	295.8	193.3	215.8	238.7	237.8	270.1	
April.....	317.0	251.6	268.4	255.2	398.0	233.5	196.8	213.1	243.6	232.1	279.6	
May.....	189.2	220.8	311.7	232.0	343.7	291.3	201.3	213.5	239.5	235.0	279.9	
June.....	175.7	312.0	239.9	289.3	418.2	301.1	204.4	209.2	255.3	228.5	271.3	
July.....	158.4	238.4	222.2	184.2	214.3		202.9	224.2	240.8	228.1	278.6	
August.....	184.6	125.0	189.3	197.5	155.1		200.9	227.2	244.7	230.3	267.8	
September...	166.3	133.2	192.5	124.8	238.5		202.2	227.9	238.8	242.2	270.9	
October.....	237.3	242.0	192.6	227.5	230.9		205.5	231.7	243.9	239.2	271.0	
November....	200.3	149.2	338.4	259.3	156.1		200.1	233.1	242.8	251.1	257.3	
December....	140.2	319.6	146.0	142.0	229.5		202.7	240.7	236.1	260.4	252.9	



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